

ADM-10.6
DDS&T-3479-67
25 August 1967

MEMORANDUM FOR THE RECORD

SUBJECT: Review of PPB Activities

1. At a meeting of Planning Officers from all the Directorates, Mr. Clarke commented about the difficulty of planning for five or more years ahead and at the same time working with stringent budget reductions. This is likely to be the character of our future operations. He also noted that the DCI has stated frequently that "the Agency will not continue to grow." Proposals for big new systems with consequent savings, particularly of manpower, have not so far worked out as predicted and in the future such proposals will be subject to intense scrutiny. We may expect to be held approximately to FY 1968 levels in manpower and money for the near future. His last introductory comment was a forecast for a possible 15% cut in the FY 1968 budget.

2. The DDP, DDS, DDI, and DDS&T representatives all noted approximately the same complaints about the last CPC:

- a. Requirements have not been firmly stated nor completely coordinated.
- b. Alternatives have not been presented in any meaningful form.
- c. We all need more time to prepare the CPC.
- d. The Directorates need a stronger voice in what special studies are really important and, therefore, should be made for the BOB.
- e. Program Call submissions should not be used as budget papers as the last one was.

3. Mr. Clarke generally agreed with all the comments and said as far as requirements are concerned that he will provide guidance for the next Program Call without waiting for BOB guidelines such as budget marks. In this respect he said we might use the latest Office estimates for the FY 69 column instead of waiting for the Congressional budget mark.

4. At this time [] stated categorically that the program memoranda are not budget papers and they should not be used as such. This was indeed a refreshing comment since even the initial submissions to the Program Call were used last year very much as a budget exercise.

5. Mr. Clarke then went on to note that the BOB this year will ask how many contract employees are used overseas and for what purpose. This justification exercise inevitably leads to a better definition and designation of management support. He also said that the 1% personnel increase is a permissive limit from the BOB and, therefore, we should use it.

6. [] from DDP (with support from everyone present) said that the target orientation display is inaccurate and unusable for more than one year ahead. He suggested that personnel and funds be predicted for FY 1970 but not for the years thereafter. This also led to questioning the validity of any resource estimates

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beyond the budget year. One suggestion was to use ranges of numbers instead of absolute values for years beyond the budget year. Another suggestion was to use absolute increases instead of specific totals for those years. While no decision was rendered on this subject, there was general agreement that either alternative would work and Mr. Clarke seemed receptive to both ideas.

7. Mr. Clarke emphasized that alternatives in the CPC are for the DCI's evaluation, not for BOB. The Directorates are to propose alternatives so that the DCI can choose the ones he will recommend in the program memoranda.

8. It was clear from this meeting that the major emphasis on the next Program Call will be on discussions of alternatives. To do this we must structure our paper by project so that alternatives will have meaning and a valid analysis can be made.




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